# MINUTES WOODSTOCK CITY COUNCIL

October 5, 2021 City Council Chambers

A regular meeting of the Woodstock City Council was called to order at 7:00 PM on Tuesday, October 5, 2021 by Mayor Michael Turner in the Council Chambers at Woodstock City Hall. He explained the Consent Calendar process, invited public participation, and noted, as is the City's policy, this evening's meeting is being live streamed with a recording archived should members of the public wish to view it in the future.

A roll call was taken.

**COUNCIL MEMBERS PRESENT:** Darrin Flynn, Lisa Lohmeyer, Tom Nierman, Wendy Piersall, Bob Seegers, Sr., Gordon Tebo, and Mayor Michael Turner.

## **COUNCIL MEMBERS ABSENT:** None

**STAFF PRESENT**: City Manager Roscoe Stelford, City Attorney Ruth Schlossberg, Assistant City Manager/Finance Director Paul Christensen, Public Works Director Christina Betz, Economic Development Director Garrett Anderson, Building and Zoning Director Joe Napolitano, IT Director Dan McElmeel, Grants/Communications Manager Terry Willcockson, and City Clerk Cindy Smiley.

## III. FLOOR DISCUSSION

## A. Proclamations

# 1. Retirement Steve Major

Mayor Turner stated this evening the Council is pleased to recognize Steve Major's 29 years of service to the community, wishing him well upon his retirement.

Without objection, the Council passed and approved *A Proclamation Honoring Steve Major's Retirement*. Mayor Turner read the proclamation for all to hear upon which Mr. Majors was recognized by hearty applause.

## 2. Manufacturer's Month

Mayor Turner stated this evening the Council wishes to recognize the importance of manufacturing in the City of Woodstock and McHenry County. He stated he is proud of and supportive of the businesses and manufacturers that do business in Woodstock.

Mayor Turner asked Danielle Gulli of the Woodstock Area Chamber of Commerce and Industry, Tom Faber of McHenry County Workforce Network, and Olga Ortiz of Berry Global to come forward to join him at the podium along with Economic Development Director Garrett Anderson.

Without objection, the Council passed and approved A Proclamation Honoring Manufacturing Month in Woodstock October 2021.

Mayor Turner read the proclamation for all to hear, which was acknowledged with hearty applause. He thanked them for joining the proceedings this evening and representing the manufacturers in the area.

Mr. Anderson thanked Council for its support. He stated the Economic Development Department has arranged visits to various manufacturers before Council meetings in the past and hopes to reinstitute that practice soon. He thanked Ms. Gulli, Mr. Faber, and Ms. Ortiz for their support.

Ms. Gulli thanked the City for recognizing the importance of the manufacturers in the community. She noted their employees are volunteers for events, support the retailers, and are very important to the fabric of the community.

Mr. Faber stated the McHenry County Workforce has a great opportunity to use federal funds to support local companies through training employees and assisting different manufacturers in the County. He thanked Council for this evening's recognition.

Ms. Ortiz thanked the City of Woodstock for recognizing manufacturing as part of the community and thanked her partners for their support. She welcomed Council to visit Berry Global.

## **B.** Public Comments

Craig Hallenstein, Judd Street, noted he was on the Economic Development Commission for a number of years, stating the City wished to secure a hotel at that time. He stated when that did not happen, he created a small economic engine in the form of an Airbnb, which has been very successful, bringing a lot of people to Woodstock. He noted the Groundhog House has also become a wonderful bed and breakfast, opining these are the two best places to stay in Woodstock. He stated these two small economic development engines love to send people into town for entertainment, shopping and dining, driving increased activity.

Mr. Hallenstein stated he now understands discussions are underway regarding the possibility of a high-quality hotel coming to town. He stated while this is great news, based upon his experience in New Orleans, where they decided there would be no more Airbnbs in the Latin Quarter, because they hurt the hotels, he hopes this would not become a threat in Woodstock. He stated he wishes to go on record to state if a high-quality hotel is brought to Woodstock, no deal should be made which restricts Airbnbs in any way. He stated he is now investing in his house to bring even more people to stay there.

Mr. Hallenstein stated he has not heard that any hotel is asking for these restrictions, but based upon his past experience he wishes to be proactive, opining Woodstock should be able to attract a high-quality hotel without having to sacrifice small businesses.

Mayor Turner stated there has been no request for any restrictions nor would be support such a request.

## C. Council Comments

Noting his absence at the last Council meeting, Councilman Seegers wished to read the following statement into the record regarding the presentation on Creative Woodstock:

"Nick Weber and whomever assisted him should be commended for their inspiration and effort in bringing this idea to the city. It must have taken a tremendous amount of time and energy to present the proposal to the council.

Based on what I have seen of the presentation, at lease on the surface, there seems to be many ideas that could create an excitement in the arts community. However, in reality, it's the issues below the surface that need further vetting. A partial list of those issues I reference, in no particular order, are as follows:

- The entirety of the community isn't supportive of their tax dollars benefitting those residents interested in the arts. Therefore, the expense of carrying the project doesn't pass my residents benefit index idea. This of course wouldn't be an issue if the project were cash flow positive from the beginning.
- The proforma has Creative Woodstock (CW) paying \$29,964 per year in rent or \$12/sq. ft to the city. The commercial real estate consultants estimate the value at \$12 to \$14/ sq. foot. Some believe the value could be as high as \$16 per sq. foot. My personal belief is that specific space should generate the highest value per foot of anywhere on the Square. \$14 per sq. foot, generates \$34,958 of revenue per year. The \$5K difference per year isn't that alarming assuming the proforma revenue and expenses are accurate. Commercial leases also generally have escalators for accommodating cost of living increases. The proforma isn't assuming any escalator.
- Starting with revenue expectations, I believe the ramp up period getting to the number of paying events generated will be much longer than your projections. Therefore, the city's subsidy will be longer than the projections. The number of events projected is very high relative to the 50 hours per week of operation and should also be vetted.
- On the expense side of the income proforma, the same argument could be made for the labor hours necessary to actually accommodate that number of events. I would concur with Councilman Flynn's guestimate the proforma labor necessary could be 2 to 2.5 times your projection.
- Like all business decisions, there is a risk/reward analysis. If the city leases to a private party, there is no ramp up period to get cash flow neutral. Month number one generates positive cash flow. In fact, the leases could and should be supported with tax returns, balance sheets and personal guarantees supporting lease performance. In the event of a default, the city bounces the tenant and takes action to collect on the guarantee. This event of default collection will not be possible with city employees running the space. And if the city does in fact determine at some time in the future to shut down the proposed operation, the city will continue to incur costs associated with the laying off of employees who were on the payroll to operation the operation.

In summary, I could support this project if and only if the city A) doesn't have to subsidize it, B) if the lease revenue collected is equal to what the best commercial lease would generate and C) the proforma projections supporting "B" are realistic and someone named would be accountable for the success or failure of the project. The city council form of government doesn't allow council members to be accountable. Taxpayers deserve the right for the city to recover the maximum amount of return available on an expense that was less of an opportunity and more of a necessity, and that shouldn't be measured by the benefit to a fraction of the city's residents."

#### CONSENT AGENDA

Motion by D. Flynn, second by W. Piersall, to approve the Consent Agenda.

In response to a question from Mayor Turner, there were no items removed from the Consent Agenda at the request of the Council or the Public.

In response to a question from Mayor Turner, the following questions/comments were brought forth from the Public or the Council regarding items remaining on the Consent Agenda:

## Item D-1 – Ordinance – FY20/21 Budget Amendment

Mayor Turner stated this Budget Amendment is taking funds that exist in the General Fund from CARES grant proceeds combined with increased use taxes, sales taxes, and income taxes, which produced a yearend surplus. He stated as things happened in 2020 with COVID-19, Council authorized grants to assist restaurants and businesses, resulting in deficits in other funds. Mr. Stelford stated because of the General Fund surplus, the City is now refilling the fund balances of those funds, repaying them through the proposed Budget Amendment Ordinance. He noted the General-CIP Fund's proposed transfer serves as an example.

Mayor Turner stated another element is as the City looks at going forward, there could be a \$600,000 to \$700,000 increase in these taxes, meaning there will be a positive economic impact on the City's finances.

Mayor Turner noted, in addition, the City was able to reduce expenses in 2020, stating Staff did a fantastic job of doing this quickly, so this also contributed to a surplus. He stated the City is able to return these funds to pre-COVID-19 levels by using these transfers from the General Fund.

Mr. Stelford stated in addition there were a couple of funds that usually are not subsidized, such as the Recreation Center, which had to close due to COVID-19, resulting in the need for subsidies. He stated the surplus described by Mayor Turner is being used to provide these subsidies.

Mr. Stelford noted much of the increased sales tax is due to the City being able to receive sales tax on internet sales, stating this results in a smaller corresponding reduction to the Use Tax.

Mayor Turner noted the car dealers are also doing well. A brief discussion ensued of this with Mr. Anderson noting this means the incentive provided to two of the dealerships will reach the maximum dollar amount quicker than originally anticipated.

A brief discussion ensued of what this means to the CIP process, with Mr. Stelford noting this process has just begun.

Mayor Turner extended kudos to Staff for the terrific job they did navigating the COVID-19 crisis.

Mayor Turner affirmed the Consent Agenda to include items A through D-8 as follows:

## A. APPROVAL OF CITY COUNCIL MINUTES

September 21, 2021 City Council Minutes

**B. WARRANTS**: 3973 3974

## C. MINUTES AND REPORTS:

Plan Commission August 19, 2021 Historic Preservation Commission August 23, 2021 Police Department Monthly Report July 2021

## D. MANAGER'S REPORT NO. 188:

- **1.** Ordinance FY20/21 Budget Amendments Adoption of Ordinance 21-O-49, identified as Document 1, An Ordinance Amending the City's FY20/21 Budget.
- 2. Affirmation of an Emergency Repair to Well #8 Affirmation of the emergency repairs completed on Groundwater Supply Well #8 and approval of the associated contract with Layne Christensen Company for an amount not to exceed \$55,182.
- **3.** Award of Contract 2022 Street Resurfacing Program Engineering Authorization to award a contract to Hampton, Lenzini and Renwick, Inc. to provide construction engineering services for the 2022 Street Resurfacing Program at a total cost not to exceed \$1,114,519.89.
- **4. Award of Contract** Approval of three contracts for the FY21/22 Downtown Snow Removal Services with Langton Group of Woodstock, IL for Snow Clearing; Gavers Excavating of Woodstock, IL for Snow Loading; and Bell Cartage of Union, IL for Snow Hauling in accordance with the unit prices submitted.
- **5. Award of Contract South PLC Upgrade** Authorization to award a contract to Control Services, Inc., Sommers, WI to supply and install PLC upgrades at the South Wastewater Treatment Plant for an amount not to exceed \$59,500.
- **6. Award of Contract Preventive Maintenance Well #11** Approval to award a contract to Layne Christensen Company to perform well rehabilitation and preventative maintenance services to Groundwater Supply Well #11 for an amount not to exceed \$85,896.

## 7. Ordinances – Special Use Permit and Rezoning, 11618 McConnell Road –

- a) Adoption of Ordinance 21-O-50, identified as Document 2, *An Ordinance Approving a Text Amendment to the UDO, Table 7A.4, Allowed and Special Use Table to allow a Nursery as a Special Use in the B4 Office District;* and
- b) Adoption of Ordinance 21-O-51, identified as Document 3, An Ordinance Approving a Zoning Map Amendment to B4 Office District and a Special Use Permit to Allow a Nursery at 11618 McConnell Road.

**8.** Façade Improvement Program – 105 E. Church Street – Approval to reimburse 50 percent of exterior improvement costs (up to \$15,000) from TIF#1 funding for façade improvements at 105 East Church Street and subject to legal review by the City Attorney.

A roll call vote was taken. Ayes: D. Flynn, G. Tebo, L. Lohmeyer, T. Nierman, W. Piersall, B. Seegers, and Mayor M. Turner. Nays: none. Abstentions: none. Absentees: none. Motion carried.

## VI. DISCUSSION

## 1. American Rescue Plan Act Funding Priorities

Mayor Turner stated this is a preliminary discussion to develop the City's priorities for the American Rescue Plan Act funds expected to be received by the City. He stated Staff expects that the City will have some flexibility on how these funds may be used, noting Woodstock will receive about \$3.4 million by the end of next year.

He stated this is the first public discussion by Council to identify possible projects and establish priorities for these funds. He proposed that Council have this preliminary discussion and then solicit public input via email to the City Manager and Council of possible suggested uses for these funds. He challenged and encouraged the private sector and businesses to bring forward suggestions for private/public partnerships. Mayor Turner stated he is also looking for input from the Department Directors on their wish lists and ideas. He asked Mr. Stelford to seek input from the City's Boards and Commissions, having these turned in by December. He asked Staff to be instructed to hold information sessions, similar to what was conducted during the TIF process, and to offer Q&As for the public to solicit input.

He stated following this proposed process, he is looking for Council to prioritize the initial projects in December, with a vote for approval of projects early next year, hopefully in January.

Mayor Turner stated the question tonight is what are each Councilmember's priorities that they would like to put on the table for the Council to consider.

Councilman Nierman opined there should be some guidelines established. He opined the items chosen must be of tangible value to the residents and that they should be able to see some results. He stated the money should not be put into a fund that does not directly benefit the residents. Councilman Nierman stated the funds should also not be used for something that could be a drain on the City's finances in the future, if additional future funds are then needed. He opined the projects should also be easy for the City Staff to manage.

Councilman Nierman suggested using some of the funds for improving the sledding hill to make an outdoor music venue in Emricson Park, noting people have talked to him about it since that area was used for this year's Gaver's event. He opined this could be done economically, making the area more user-friendly.

Councilman Nierman stated an area could be built at the bottom of the hill where a band could bring their own stage in, opining a level dance floor and fencing plan could be included. He stated as underground electric is already in the area, no generators would be needed, opining it would be relatively inexpensive. He opined this project would improve the atmosphere of the town.

Councilman Nierman stated the area could still be used for a sledding hill in the winter.

Councilman Nierman stated he would like to see some of the funds used to make the town look better. He stated he would like to see the parks improved. He stated he would like to see the parking lots repaired and repaved, and the ballfields look better, noting their current dated and tired condition is no one's fault, but rather is a feature of time. He stated he would also like to see the park's public bathrooms improved and new ones built, the pavilions upgraded and stained, the bleachers painted or stained, and the walking path blacktop sealed. He stated he would also like to look into purchasing equipment that could be used for snow removal on the path. Councilman Nierman stated he would like to see the running groups use signs to direct runners, rather than using paint on the path. He suggested doing these things now that the City has the funds.

Councilman Flynn stated while he likes all of the things on the list, he is hesitant to discuss priorities at this time, as there is no guide for the City. He noted it is past time for a new Comprehensive Plan and opined the various commissions are not aligned. He stated Council needs to make its decisions based on a long-term strategy.

Councilman Flynn stated Council does not have to commit to uses for the funds until 2024 and they do not have to be spent until 2026. He noted Smart Growth is working on an analysis and will come back with ideas.

He stated the Council is talking about things that are needed to be done without having a Comprehensive Plan. He stated he believes in an outdoor music event and the need for a cleanup. He stated he agrees with Councilman Nierman's ideas. He noted the Comprehensive Plan talked about having gateways into the City. He opined when the City does the next Comprehensive Plans there should be benchmarks to track projects.

Councilman Flynn opined funding for the new positions should be taken off the list. He supported carving out funds for the Old Courthouse.

Mayor Turner noted Smart Growth America (SGA) is a consultant that helps organizations to plan, set priorities, and look at growth opportunities, noting an opportunity for Woodstock to use the services of SGA was made available to the City by T-Mobile.

In response to Mayor Turner's request for further information, Ms. Gulli noted SGA has held two meetings at which they were provided with much data. She stated they will take the data and evaluate how the City can get the best return on its investment. Noting they have already talked about what the key priorities could be for the next two years, she stated they will be visiting Woodstock as well. She stated they have worked with many communities, noting they are very impressed with Woodstock and that it is farther along than many of those communities. Ms. Gulli stated they will be meeting again next Tuesday with SGA at which time they will provide preliminary feedback. Ms. Gulli stated this would require a significant amount of funding to secure this level of professional consulting and SGA will provide great information for the future.

Mayor Turner stated having this organization involved is great and now the City needs to go to the next level to look at the Comprehensive Plan. He stated the City needs to think about how to do the best going forward using the resources and opportunities it now has. Mayor Turner stated he does not want to wait until 2026 to spend these funds.

Councilman Flynn opined the City should build a foundation first and then put a roof on it. He opined the City should start as soon as possible on the Comprehensive Plan.

Councilwoman Piersall agreed with Councilman Flynn. She opined there are many things on the list provided in the packet, noting the amount of money is not enough. She stated it is difficult to look at the list and say what is most important. Councilwoman Piersall stated Council should develop criteria for the kind of things it wants.

Councilwoman Piersall stated former City Councils put off streets for the right reasons at the time, but that left a real financial problem now. She opined this Council has the opportunity to look more closely at infrastructure to see if there is something it can do that will benefit the community in the future and be forward thinking, opining there are several items on the list that fit the bill.

In response to a question from Mayor Turner, Councilwoman Piersall stated she is looking at infrastructure priorities, stating there is starting to become a shortage of building ready pads in the City's existing industrial parks, for example, which could result in companies leaving Woodstock. A brief discussion then ensued of available building space in Woodstock's industrial parks. Councilwoman Piersall supported finding a way to make an impact on the City's infrastructure.

Councilwoman Lohmeyer stated there is nothing on the list she would not want to see for the community. She stated she would like to see the money spent on something that is a necessity and is tangible.

She expressed her support of the Apple Creek Water Tower as a good return on investment. She stated she feels a splashpad would be a huge amenity for young families. Councilwoman Lohmeyer was also supportive of bike paths, noting people are looking for the opportunity to be outside with their families.

Councilwoman Lohmeyer stated the City has this funding plus the T-Mobile grant, as well as the two new positions approved by Council and a new Mayor and Councilmembers, and opined it is too soon for her to decide on what she wants. She stated she would like to hear from the Department Directors and the Public.

Councilman Seegers expressed his agreement with Councilwoman Piersall's comments on infrastructure. He stated he is disappointed with the rental percentage in Woodstock, opining more homes are needed. He stated what the City should invest in today does not make sense without long-term planning, noting agreement should be reached on where the City should go.

Councilman Seegers stated the City needs more rooftop development, opining this would benefit every resident. He opined if the City does not have a plan, this allows other communities to expand into it.

Councilman Seegers expressed agreement with Councilman Nierman, stating he would like some way for properties to be fixed up. He opined this is tangible, but could handcuff the City down the road.

In response to questions from Councilman Tebo, Mr. Stelford stated a handful of the projects on

the list could possibly be CIP projects, which would need funding at some point from borrowing and taxes. Councilman Tebo stated he would like to know which are future CIP projects.

Councilman Tebo expressed agreement with the previous comments. He stated from his viewpoint, the City has current residents and future residents. He opined there should be something for the current residents, such as the bike path or splash pad, and something for future residents such as infrastructure projects. He stated infrastructure projects should be prioritized because they are more expensive. He stated he also feels it is a great idea to ask the residents.

Councilman Tebo opined a lot more discussion is needed. He noted the past Council discussed the walking path in detail, explaining what the experts said about the difficulties with snow removal.

Councilman Tebo stated he would like to see a few paragraphs providing more information on each of the items on the list along with some structure and costs on each. He noted a parking structure sounds good, but would cost too much. He again stressed benefits to present and future residents and further planning.

Mayor Turner opined Councilman Tebo's remarks about balancing present residents and future residents were very insightful and a great way to characterize the discussion. He stated the City needs to improve its planning in light of the amount of money, stating the importance of proper planning is crucial for the City's success. He stated updating the Comprehensive Plan is essential and agreed the projects need to be tangible. Mayor Turner opined the projects chosen cannot be operational but rather something that can be touched, seen, or felt. He stated there will never be enough money for everything.

Mayor Turner stated he agrees with the comments about infrastructure, noting the funds being discussed would be seed money or starters for infrastructure projects due to their size. He opined the City can develop the updated Comprehensive Plan in conjunction with initial investments, noting there are quick things that would meet current residents' expectations.

Major Turner asked Council to look at small things that elevate the community, opining the entertainment venue is worth looking at and noting he heard from many people that this would be impactful for Woodstock. He also talked about the potential that input from the Staff and the Public could have. Mayor Turner stated he does not believe Council has to have the Comprehensive Plan finished before it looks at these ideas.

Mayor Turner stated his high priority items include IT items that he feels are important, including rebuilding the City's website and rebranding the aquatic center, the Recreation Center, and the Opera House. He stated he would like to see IT improve productivity and implement a citywide enterprise resource planning system. He opined this would benefit the public and reach people now and in the future.

Mayor Turner stated he agrees with Councilman Nierman that small things can be done, such as work on the ball fields. He noted the football organizations have approached the City requesting that something be done in Emricson Park. He opined there is a need to upgrade the electrical service on the Square. He agreed the splashpad or pool upgrade are good ideas, opining the pool should be maximized to increase its use and to attract visitors.

Major Turner noted some great ideas have come out of Woodstock, opining partnering in a business incubator space could be a good idea, which he would like to discuss further.

Major Turner noted the Police Department is running lean on equipment and automation to help them, stating this is a public safety issue he would like to discuss further.

He stated he would like the Department Directors to tell Council what they need and what could help them to be more efficient.

Mayor Turner stated perhaps the City could consider a grant funding program to help the businesses during the Rt. 47 improvement project, holding back some of the funds for this. A brief discussion ensued about helping the businesses during this time.

Councilman Seegers stated he is a big proponent of being able to measure things. Mayor Turner expressed agreement, stating he would like to see this included. Councilman Seegers advocated for surveying the residents, opining this would give them an opportunity to have input and stating he would like to be involved with this. Mayor Turner opined a survey on this topic would not give productive, useful information. He stated he would like to ask the Public to tell them what they want. A discussion of a possible survey ensued with Councilman Seegers stating he always sees the same people at the meetings and would like to increase public involvement. Mayor Turner noted the opportunity to communicate with Woodstock's elected officials is easier than at any other level of government, stating he wants people to come forward with ideas.

Councilman Tebo stated he is not looking for a survey to rank ideas, but rather wants to see more ideas. He stated perhaps the Council will have to go out and ask people, seeking out and contacting people not in their own groups.

Noting his discussions with Daniel Campbell regarding the Opera House infrastructure needs, Mayor Turner opined these should be looked at especially in light of Council's recent discussions about the Opera House. He stated this would also be on his list.

Mayor Turner stated one of the biggest things he gets comments about are restrooms in Emricson Park and in the Downtown. He stated he has asked Mr. Stelford for ideas about how this could be done. He also talked about things he sees in other downtowns, opining the City needs to find a way to do this.

Mayor Turner stated planning must be a part of this, noting it is time for this Council and for Staff to look at the Comprehensive Plan process and begin its update.

He stated the City has a list of strategic initiatives in the current economic cycle, which is the focus of Staff, whether Mr. Stelford, the new Executive Directors, or the Department Directors, with this list representing many opportunities, noting planning is needed. He asked that a bit more detail be put around these items, including costs. He asked that the items be grouped that are costly, strategic, etc., and then this information be circulated to Council. He also asked that additional input be solicited from Staff, the Public, and the Council.

Mayor Turner stated perhaps a decision does not have to be made by January, but if there is a

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consensus on some small things that may be possible. He asked that Council and Staff push forward deliberately on this.

There were no comments forthcoming from the Public.

There were no further comments from the Council.

Mayor Turner opined this was a good discussion with another discussion to be held possibly at the end of the year. He stated, meanwhile, Staff will be working on and looking at this and will give updates to the City Council.

#### **FUTURE AGENDA ITEMS**

Mayor Turner opined perhaps the Creative Woodstock item might be better placed on the November  $2^{nd}$  agenda. He urged Mr. Weber to bring this to individual members of the Council prior to that meeting.

Mayor Turner stated he has given Mr. Stelford feedback that the material to be included in the packet for the Performance Based Management Program be shorter and more summarized, asking this information to be provided to the City Council by the end of the week.

There were no further additions, deletions, or corrections to the tentative Future Agendas.

#### **ADJOURN**

Motion by D. Flynn, second by G. Tebo, to adjourn this regular meeting of the Woodstock City Council to the next regular meeting on Tuesday, October 19, 2021, at 7:00 PM in the Council Chambers at Woodstock City Hall. Ayes: D. Flynn, L. Lohmeyer, T. Nierman, W. Piersall, B. Seegers, G. Tebo, and Mayor M. Turner. Nays: none. Abstentions: none. Absentees: none. Motion carried.

The meeting was adjourned at 8:40 PM.

Respectfully submitted,

Cindy Smiley City Clerk